Statement

GENERAL INSURANCE CORPORATION OF INDIA AND ITS FOUR SUBSIDIARIES:

i) Paid up capital (as on 31.3.1994) Rs. 375 Crores
ii) Turnover (Net Premium Income) Rs. 4427.45 Crores
iii) Net Profit (After Tax) Rs. 670.32 Crores
iv) Net profit on Capital base Rs. 178.80%
v) Net profit on turnover Rs. 15.1*55-

LIFE INSURANCE CORPORATION OF INDIA:

i) Capital (Initial Paid) Rs. 5 Crore
ii) Turnover in terms of total premium collected for the year 1993-94 Rs. 9735.32 Crores
iii) Government share of surplus for the year 1993-94 Rs. 140.14 Crores

Import of Consumer Goods

2245. SHRI CHIMANBHAI MEHTA: SHRIMATI RENUKA CHOWDHURY: Will the Minister of FINANCE be pleased to stare:

(a) whether it is a fact that Government have decided to liberalise import of consumer goods: if so, the details thereof;

(b) whether this would hit local consumer industries;

(c) whether this step would enhance out-go of foreign exchange; if so, the what extent;

(d) whether liberal imports of consumer goods would bring down prices;

(e),what are the consumer goods likely to be imported;

(0 whether the local industies are incapable to meet fully the requirments of consumer goods; and

(g) if so, the reasons for not talcing measures to boost production of local consumer goods?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.V. CHANDASHEKHAR MURTHY): (a) to (g) The export and import policy is formulated and reviewed continuously, keeping in view the country's priorities. Imports of commodities, including consumer goods, is presently permitted as per the provisions of Exports and Imports Policy announced -by Ministry of Commerce from time to time.

Computerised List of Policy Holders in LIC

2246. SHRI YERRA NARAYANA SWAMY: Will the Minister of FINANCE be pleased to state:

(a) whether the LIC has a computerised list of all policy holders in every Division:

(b) whether the LIC sends caution letters to policy holders when their policy is in arrears; and

(c) if not. the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.V. CHANDRASHEKHAR MURTHY): (a)and (b) Yes. Sir.

(c) Does not arise.

Future Role of Financial Institutions

2247. SHRI YERRA NARAYANAS WAMY: Will the Minister of FINANCE be pleased to state:

(a) whether Government are considering the future role of large financial institutions like IFCI:

(b) whether many private institutions have come forward to finance investment:

(c) if so, what would be the role of IFCI in the industrial scenario in the country: and

(d) the details of long term planning on role of IFCI?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.V. CHANDRASHEKHAR MURTHY): (a), (c) and (d) The basic role of large financial institutions (FIs) like lFCI is to suport industrial development in the country by providing medium and long term credit to the industry, in order to enable FIs to play their role more effectively in the changing economic and industrial scenario, large FIs such as IFCI and Industrial Development Bank of India (IDBI) have been provided greater functional autonomy and operational

flexibility. They have also been enabled to access the capital market through issue of equity share capital and enlarge their shareholders' base. This is also in line with the recommendations of the Narasimham Committee on the Financial System.

(b) Public sector banks, other commercial banks and non-banking financial companies in the private sector supplement the role of large financial institutions in providing financial assistance to industry.

Obligations of Banks

2248. SHRI K.R. MALKANI: Will the Min ister of FINANCE be pleased to state:

(a) what are the obligations of nationalised Indian Banks, Private Indian Banks and Foreign Banks, respectively, with respect to Purchase of Government Securities, Subscription to Government loans, opening of more branches, loan Melas and Loan Waiver Schemes, Concessional facilities to agriculture, Small Scale Industry, Cooperatives etc. and any other social responsibilities, which may have been imposed in the last three years;

(b) if the obligations in respect of these are not the same, the reasons therefor; and

(c) what was the profit/loss account of these three categories of banks during the last three years?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.V. CHANDRASHEKHAR MURTHY): (a) to (c) Information is being collected and to the extent available will be laid on the Table of the House.

Proportional Allotment to Small Investors by SEBI

2249. SHRI YERRA NARAYANASWAMY: Will the Minister of FINANCE be pleased to state:

(a) whether SEBI proposes to scrap proportional allotment to benefit small investors;

(b) if so, the details of this proposals;

(c) by when this proposal will be effective; and

(d) how SEBI proposes to monitor this new scheme?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.V. CHANDRASHEKHAR MURTHY): (a) to (d) The information is being collected and will be laid on the Table of the House.

Bond Investment by IFCI

2250. SHRI YERRA NARAYANA SWAMY: Will the Minister of FINANCE be pleased to state:

(a) what are the different types of bond-investments by IFCI;

(b) whether it is a fact that IFCI has involved in medium to long term bonds; and

(c) what are the reasons for such Bond-Investment?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.V. CHANDRASHEKHAR MURTHY): (a) and (b) The Industrial Finance Corporation of India Limited (IFCI) has reported that it has invested in the State Bank of India Bonds aggregating Rs. 5 crores.

(c) IFCI has reported that this investment was made by it on commercial considerations.

Liberalisation of Bank Financing for Stock Exchange Brokers

2251. SHRI B.K. HARIPRASAD: Will the Minister of FINANCE be pleased to state:

(a) whether the Reserve Bank of India has decided to liberalise bank financing for stock exchange brokers against shares lodged as security with the bank without effecting its legal transfer in the name of lending banks;

(b) what are the precautions envisaged in the eventuality of brokers defaulting in payment; and

(c) whether the new policy has been evolved just to obviate lot of funds being spent on stamp duty while effecting transfer of pledged shares and it so, whether it would be prudent to jeopardise security measures ought to be taken by the lending bank as seen under the hindsight provided by the security scam?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.V. CHANDRASHEKHAR MURTHY): (a) No, Sir.